



Treasury Stock Acquisition

Lecico announces intention to acquire up to one million shares in treasury stock

Alexandria, 08 May, 2007 – Lecico Egypt announced its intention to acquire up to one million shares or GDRs (equivalent to 5% of the outstanding shares) in treasury stock over the next twelve months.

“Lecico continues to evaluate opportunistic repurchases of its GDRs and shares in light of favorable relative market valuations.” commented Gilbert Gargour, Lecico Egypt Chairman and CEO. “We believe that current prices for Lecico shares represent just such an opportunity. Moreover, ownership of a large block of treasury shares will give us increased flexibility to look at a number of options in the future including improving local liquidity, and rewarding shareholders and staff. All of which we will consider as possible uses for these shares.”

Lecico Egypt will not commence buying treasury shares until at least three working days after the publication of its first quarter results. Lecico Egypt may stop and start acquiring treasury stock at any point and may acquire any amount up to the one million share limit mentioned at the discretion of management.

About Lecico

Lecico (Stock symbols: LECIq.L; LECI LI; LCSW.CA; LECI EY) is a leading producer of export-quality sanitary ware in the Middle East and one of the largest tile producers in Egypt and Lebanon, with over 45 years of experience in the industry and decades of experience as an exporter to developed markets.

Lecico benefits from significant cost advantages in labour, energy and investment costs resulting from its economies of scale and location in Egypt and Lebanon. Lecico's marketing strategy is to use its cost advantages to target the mass market with high quality pieces at competitive prices.

Lecico exports over half its sanitary ware production and has a significant presence in the United Kingdom and other European markets. Most of the Company's exports are done under the Lecico brand, although it also produces for other European brands. Lecico has a strategic relationship with Sanitec, a leading producer of sanitary ware in Europe, and benefits from this relationship through information sharing, extensive knowledge transfer programs and significant outsourcing contracts for Sanitec's brands.

For additional information, please contact:

Taher G. Gargour
Business Development
Telephone: +203 518 0011
Fax: +203 518 0029
Mobile: +2012 104 1047
E-mail: tgargour@lecico.com.eg

Visit our website at: www.lecicoegypt.com

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